IOWA DEPARTMENT OF NATURAL RESOURCES ADMINISTRATIVE CONSENT ORDER

IN THE MATTER OF:

ADMINISTRATIVE CONSENT ORDER

NEW HEAVEN CHEMICALS IOWA, LLC NO. 2020-AQ-10

To: New Heaven Chemicals Iowa, LLC Paul Katzenberger Plant Manager 1585 380th Street Manly, Iowa 50456 New Heaven Chemicals Iowa, LLC Chuck Becker, Attorney Belin Law Firm 666 Walnut Street, Suite 2000 Des Moines, Iowa 50309-3989

New Heaven Chemicals Iowa, LLC Amy Piepmeier Registered Agent The Davis Brown Tower 215 19th Street, Suite 1300 Des Moines, Iowa 50309

I. SUMMARY

This administrative consent order is entered into between the Iowa Department of Natural Resources (DNR) and New Heaven Chemicals Iowa, LLC (NHC) for the purpose of establishing a payment plan for the payment of past due TV Emission Inventory fees and for the payment of Construction Permit Application fees. In the interest of avoiding litigation, the parties have agreed to the provisions below.

Any questions regarding this administrative consent order should be directed to:

Relating to technical requirements:

Brian Hutchins
Iowa Department of Natural Resources
Wallace State Office Building
502 East Ninth Street
Des Moines, Iowa 50319-0034

Phone: 515-725-9550.

Relating to legal requirements:

Anne Preziosi, Attorney for the DNR Iowa Department of Natural Resources Wallace State Office Building 502 East Ninth Street Des Moines, Iowa 50319-0034 Phone: 515-725-9551

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II. JURISDICTION

This administrative consent order is issued pursuant to the provisions of lowa Code sections 455B.134(9) and 455B.138(1), which authorize the Director to issue any order necessary to secure compliance with or prevent a violation of lowa Code chapter 455B, Division II (air quality), and the rules promulgated or permits issued pursuant to that part; and lowa Code section 455B.109 and 567 lowa Administrative Code (IAC) chapter 10, which authorize the Director to assess administrative penalties.

III. STATEMENT OF FACTS

- 1. New Heaven Chemicals Iowa, LLC, (NHC) is a supplier of sodium methylate, also known as sodium methoxide (SMO). SMO is a catalyst used in the production of biodiesel. The NHC facility in Iowa is located at 1585 380th Street, north of Manly, Iowa. The facility began its operations on August 30, 2016. Some of the sources of emissions to the outside atmosphere at this facility are mixing tanks, reaction columns, storage tanks, product loadout and wastewater treatment. The facility has the capability to produce 20,000 metric tons per year of SMO. NHC currently operates three SMO production systems at its Manly, Iowa, facility.
- 2. NHC owes DNR Construction Permit Application fees in the amount of \$12.391.25.
- 3. NHC owes DNR TV Emission Inventory fees in the amount of \$5,523.00. These Title V emission inventory fees were due for the year 2019 and were due to be paid no later than July 1, 2020.
- 4. NHC has requested to pay the amounts owed, which total \$17,914.25, in six monthly installments.

IV. CONCLUSIONS OF LAW

- 1. Iowa Code section 455B.133 provides that the Environmental Protection Commission (Commission) shall establish rules governing the quality of air and emission standards. The Commission has adopted 567 IAC chapters 20-35 relating to air quality.
- 2. According to the provisions of 567 IAC 30.2, each owner or operator required to provide a, new source review application submittal shall pay fees as specified in the fee schedule approved by the commission and posted on the department's website. As stated above, NHC owes fees due according to this rule.

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3. According to the provisions of 567 IAC 30.4(2), any person required to obtain a Title V permit shall pay a Title V emissions fee based on actual emissions required to be included in the Title V operating permit application and the annual emissions statement for the previous calendar year. The fee shall be submitted annually by July 1. As stated above, NHC owes fees due according to this rule.

V. ORDER

THEREFORE, DNR orders and NHC agrees to the following:

1. NHC shall pay the amount of \$17,914.25 in six monthly installments. The payments shall occur by the last day of each month, beginning in October 2020 and continuing for a period of six months. Each monthly payment for the first five months shall be \$2,985.00. The monthly payment for the last month shall be \$2,989.25.

VI. PENALTY

No penalty is assessed by this administrative consent order.

VII. RESERVATION OF RIGHTS

This administrative consent order is entered into between the Iowa Department of Natural Resources (DNR) and NHC for the sole purpose of creating a compliance plan for NHC to achieve compliance with 567 IAC chapter 30.

DNR reserves the right to bring enforcement action to assess monetary penalties for the alleged violations addressed in this administrative consent order or to pursue referral to the Attorney General, to obtain injunctive relief and penalties or fines, pursuant to lowa Code section 455B.146 or 455B.146A. Further, nothing in this administrative consent order restricts or limits the administrative or judicial enforcement remedies available to the DNR or the State of lowa for the violations referred to in this administrative consent order or any other violations that may have occurred at the NHC facility in Manly, lowa.

Additionally, DNR reserves the right to bring enforcement action or to pursue referral to the Attorney General, to obtain injunctive relief and penalties or fines, pursuant to Iowa Code section 455B.146 and 455B.146A, for alleged violations not addressed in this administrative consent order that may have occurred at the NHC facility in Manly, Iowa.

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VIII. WAIVER OF APPEAL RIGHTS

This administrative consent order is entered into knowingly and with the consent of NHC. For that reason, NHC waives its right to appeal this administrative consent order or any part thereof.

Kayl Lyon	Dated this25th day
of	<u>-</u>
Kayla Lyon, Director	_ <u>August,</u> 2020.
Iowa Department o Natural Resources	Dated this 2 day of day 20. 20
New Heaven Chemicals Iowa, LLC	August, 2020, 20

DNR Field Office 2; Anne Preziosi; VII.C.3